

## RESOLUTION NO. 09-19

### **RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$10,000,000 CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK MULTI-MODAL INDUSTRIAL DEVELOPMENT REVENUE BONDS (OLAM WEST COAST, INC. PROJECT) SERIES 2009 TO PROVIDE FINANCIAL ASSISTANCE FOR THE DEVELOPMENT OF CERTAIN ECONOMIC DEVELOPMENT FACILITIES, PROVIDING THE TERMS AND CONDITIONS OF THE SALE AND ISSUANCE OF SAID BONDS AND OTHER MATTERS RELATING THERETO, AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED**

WHEREAS, the California Infrastructure and Economic Development Bank (the "Issuer") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 *et seq.*) (the "Act"), for the purpose of promoting economic development; and

WHEREAS, the Issuer is authorized to issue tax-exempt revenue bonds to provide financing for economic development facilities (as defined in the Act) located in the State of California; and

WHEREAS, Olam West Coast, Inc., a Delaware corporation (which, together with a related or successor entity is referred to herein, individually and collectively, as the "Borrower") has submitted an application to the Issuer for assistance in financing and refinancing the acquisition, renovation, restoration, improvement, equipping and general development of a vegetable dehydration facility of approximately 640,000 square feet on 84 acres located at 47641 West Nees Avenue, Firebaugh, California 93622 in Fresno County (the "Project"), and paying certain costs of the Project, including costs of issuance of the Bonds; and

WHEREAS, the Borrower has represented that it intends to use the Project to manufacture dehydrated vegetable products for consumer use, which operation is consistent with the definition of an economic development facility in the Act; and

WHEREAS, for these purposes, the Borrower has requested the Issuer to (a) authorize the issuance of its Multi-Modal Industrial Development Revenue Bonds (Olam West Coast, Inc. Project) Series 2009 in an aggregate principal amount not to exceed \$10,000,000 (the "Bonds"), (b) provide for the sale of the Bonds, (c) provide for the loan of proceeds of the sale of the Bonds to the Borrower to finance and refinance a portion of the cost of the Project; (d) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived from the Borrower's repayment of that loan; and (d) take and authorize certain other actions in connection with the foregoing; and

WHEREAS, the Borrower desires that the Bonds be secured by an irrevocable direct-pay letter of credit (the "Letter of Credit") to be issued by Harris N.A., Chicago, Illinois (the "Bank"), and the security of this Letter of Credit will be for the benefit of the bondholders; and



WHEREAS, the Issuer may not issue the Bonds to assist in financing the Project until the Board of Directors of the Issuer makes certain determinations relating to the Project as required by the Act; and

WHEREAS, there is now on file with the Secretary of the Issuer the following:

(a) a proposed form of the Loan Agreement (the "Loan Agreement"), to be entered into by and between the Issuer and the Borrower providing for the loan of the proceeds of the Bonds to the Borrower;

(b) a proposed form of the Trust Indenture (the "Indenture"), to be entered into between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), providing for the authorization and issuance of the Bonds to be dated the date of delivery thereof;

(c) a proposed form of the Bond Purchase Agreement (the "Bond Purchase Agreement"), to be entered into by and among the Issuer, the Treasurer of the State of California and BMO Capital Markets GKST Inc. (or a related entity), as underwriter (the "Underwriter"), and approved by the Borrower, providing for the sale of the Bonds

(d) a proposed form of the Preliminary Official Statement (the "Preliminary Official Statement") to be used by the Underwriter in connection with the sale of the Bonds; and

(e) a proposed form of the Issuer Tax Certificate (the "Issuer Tax Certificate"), to be executed by the Issuer, concerning the exclusion of interest on the Bonds from gross income for federal income tax purposes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank (the "Board"), as follows:

**Section 1.** The Issuer authorizes and approves the loan of the proceeds of the Bonds to the Borrower in order to finance or refinance a portion of the cost of the Project (including the payment of costs of issuance in connection with the Bonds) pursuant to the terms and provisions of the Loan Agreement. The proposed form of the Loan Agreement on file with the Secretary of the Issuer is hereby approved and the Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Secretary of the Issuer is authorized to attest to the Issuer's execution of the Loan Agreement.

**Section 2.** The proposed form of the Indenture on file with the Secretary of the Issuer is hereby approved and the Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver to the Trustee the Indenture in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of



this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Secretary of the Issuer is authorized to attest to the Issuer's execution of the Indenture.

**Section 3.** The proposed form of the Bond Purchase Agreement on file with the Secretary of the Issuer is hereby approved and the Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver the Bond Purchase Agreement in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. At the request of the Borrower, BMO Capital Markets GKST Inc. (or a related entity) is appointed as underwriter and remarketing agent for the Bonds. The Treasurer of the State of California, as agent for sale of the Issuer's bonds, is hereby requested to sell the Bonds at negotiated sale, at such prices and at such initial interest rates as he may determine in accordance with the Indenture. Notwithstanding Section 63074(d) of the Act to the contrary, such sale may take place at any time within one hundred eighty (180) days of the adoption of this Resolution or at such later date not later than the date three hundred sixty (360) days of the adoption of this Resolution as approved by the Executive Director of the Issuer.

**Section 4.** The form of the Preliminary Official Statement on file with the Secretary of the Issuer is hereby approved. The Underwriter is hereby authorized to distribute a Preliminary Official Statement in substantially said form with such changes as the Chair of the Board, the Chair's designee or the Executive Director of the Issuer may approve as provided herein to persons who may be interested in the purchase of the Bonds. The Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized, for and in the name and on behalf of the Issuer; (1) to execute and deliver to the Underwriter a certificate or certificates, in a form acceptable to the counsel to the Issuer, to the effect that the portions of the Preliminary Official Statement and the final Official Statement hereinafter mentioned under the caption "THE ISSUER" and "NO LITIGATION – The Issuer" are deemed final as of their respective dates; and (2) to execute a final Official Statement for the Bonds, in substantially the form of said Preliminary Official Statement, with such insertions and changes therein as he or she, with the advice of counsel to the Issuer, may require or approve, such approval to be conclusively evidenced by the delivery thereof. The Underwriter is hereby authorized to deliver copies of said final Official Statement (as finally executed, the "Official Statement") in connection with the sale of the Bonds.

**Section 5.** The proposed form of the Issuer Tax Certificate on file with the Secretary of the Issuer is hereby approved and the Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver to the Issuer Tax Certificate in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof.

**Section 6.** The Issuer approves the issuance on a tax-exempt basis of not to exceed \$10,000,000 aggregate principal amount of the Bonds for the Project in accordance with the



terms of and to be secured by the Indenture. Payment of the principal of, premium, if any, and the interest on, the Bonds shall be made solely from the revenues to be received by the Issuer pursuant to the Loan Agreement and the Indenture, and said Bonds shall not be deemed to constitute a debt or liability of the Issuer (except to the limited extent provided in the Indenture) or the State of California. The Chair of the Issuer, the Chair's designee, or the Executive Director of the Issuer, each acting alone, is hereby authorized and directed to execute, in the name and on behalf of the Issuer, by manual or facsimile signature, the Bonds, in an aggregate principal amount not to exceed \$10,000,000 in accordance with the Indenture and in the form set forth in the Indenture which shall be substantially similar to the form set forth in the proposed form of Indenture on file with the Secretary of the Board, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Bonds shall be dated the date of their issuance and shall be paid in lawful money of the United States at the time or times and place or places provided in the Indenture. The Bonds shall be in the form and the denominations as provided in the Indenture, mature on the date or dates provided in the Indenture which shall be not later than thirty years from the date of issuance thereof, be subject to redemption as provided in the Indenture, shall carry the registration privileges provided in the Indenture and shall bear interest at a variable rate or rates to be determined in accordance with the Indenture, which rates shall not to exceed the lesser of (a) twelve (12%) per annum, (b) the maximum interest rate at the time then specified in the Letter of Credit (initially, ten (10%) per annum) or (c) the maximum rate of interest on the Bonds permitted by the laws of the State.

**Section 7.** The Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate and register the Bonds so delivered by executing the appropriate Certificate of Authentication and Registration appearing thereon, and to deliver the Bonds, when duly executed, authenticated and registered, to the Underwriter in accordance with written instructions executed on behalf of the Issuer by the Chair of the Board, the Chair's designee or the Executive Director of the Issuer which instructions said officer is hereby authorized and directed, for and in the name of and on behalf of the Issuer, to execute and to deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Underwriter upon payment of the purchase price therefor.

**Section 8.** Pursuant to Section 63046 and 63047 of the Act, and based upon representations made by the Borrower, the Board of Directors of the Issuer hereby finds and determines that:

- (a) the Project is located in the State of California;
- (b) the Borrower is capable of meeting its obligations incurred under the Loan Agreement;
- (c) the payments the Borrower is required to make under the Loan Agreement are adequate to pay all expenses of the Issuer in connection with the issuance and payment of the Bonds and to make payments on the Bonds;

(d) the issuance of the Bonds is an appropriate financing mechanism for the Project; and

(e) the Project is consistent with any existing local or regional comprehensive plans.

The finding in subsection (b) above, as to the Borrower's payment obligations under the Loan Agreement, is based on the requirement of the Issuer that the Bonds will be secured by an irrevocable direct-pay Letter of Credit issued by the Bank which will support a rating on the Bonds of at least "A3" from Moody's Investors Service, or "A-" from Standard & Poor's or Fitch Ratings.

**Section 9.** Based on the information provided and representations made by the Borrower the Board hereby finds and determines that the Project demonstrates clear evidence of a defined public benefit in that the Project is expected to provide new jobs within and an increase in the tax base of the community in which it is located.

**Section 10.** The Chair of the Board, the Chair's designee or the Executive Director of the Issuer, each acting alone, is hereby authorized to execute all documents, certificates and instruments necessary or appropriate to this transaction and the issuance of the Bonds.

**Section 11.** All actions heretofore taken by the officers and employees of the Issuer with respect to the approval, issuance and sale of the Bonds are hereby approved, confirmed and ratified, and the officers of the Issuer and their authorized designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents which they, their counsel or bond counsel may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution, including without limitation a tax agreement with the Borrower and, if other than the Borrower, the operator of the Project facilities, concerning the exclusion of interest on the Bonds from gross income for federal income tax purposes.

**Section 12.** This Resolution shall take effect from and after its adoption.

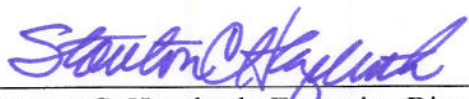
PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on May 19, 2009, by the following vote:

AYES: Bonner, Sheehy, Lujano, Aguiar, Rice


NOES: None

ABSENT: None

ABSTAIN: None

By   
Stanton C. Hazelroth, Executive Director

Attest:

By   
Roma Cristia-Plant, Secretary